

**BOARD OF WATER AND SOIL RESOURCES
520 LAFAYETTE ROAD N.
ST. PAUL, MINNESOTA 55155
WEDNESDAY, JUNE 25, 2014**

BOARD MEMBERS PRESENT:

Jill Crafton, Jack Ditmore, Chris Elvrum, MDH; Douglas Erickson, Rebecca Flood, MPCA; Christy Jo Fogarty, Sandy Hooker, Kathryn Kelly, Tom Loveall, Brian Napstad, Tom Landwehr, DNR; Tom Schulz, Rob Sip, MDA, Faye Sleeper, MES; Steve Sunderland, Gene Tiedemann, Gerald Van Amburg

BOARD MEMBERS ABSENT:

Joe Collins
Neil Peterson

STAFF PRESENT:

Angie Becker-Kudelka, Tim Dykstal, Tim Fredbo, Travis Germundson, Tim Gillette, Celi Haga, Jeff Hrubes, John Jaschke, Al Kean, Kari Keating, Melissa Lewis, Bill Penning, Sarah Strommen, Doug Thomas, Dave Weirens, Wayne Zellmer

OTHERS PRESENT:

Marcie McLaughlin, MDA
Tom Peterson, CROW
Mary Presnail, DNR

Chair Napstad called the meeting to order at 9:03

PLEDGE OF ALLEGIANCE

**** 14-28 ADOPTION OF AGENDA** – Moved by Kathryn Kelly, seconded by Jill Crafton, to adopt the agenda as amended. *Motion passed on a voice vote.*

**** 14-29 MINUTES OF MAY 28, 2014** – Moved by Jill Crafton, seconded by Gene Tiedemann, to approve the minutes of May 28, 2014, as circulated. *Motion passed on a voice vote.*

CONFLICT OF INTEREST DECLARATION

Tim Dykstal provided training on the Conflict of Interest Declaration. Chair Napstad explained that the conflict of interest declaration process is being used today on many agenda items. He then read the statement: *“A conflict of interest, whether actual, potential, or perceived, occurs when someone in a position of trust has competing professional or personal interests and these competing interests make it difficult to fulfill professional duties impartially. At this time, members are requested to declare conflicts of interest they may have regarding today’s business.”*

PUBLIC ACCESS FORUM (10-minute agenda time, two-minute limit/person)

Jill Crafton addressed the board.

REPORTS

Chair’s Report – Brian Napstad reported that they have completed the Executive Director review. The full summary of the review was provided to the board. A summary of the EQB meeting items was provided.

Audit & Oversight Committee (AAC) – Brian Napstad reported the Audit & Oversight Committee did not meet.

Executive Director’s Report – Board tour is in August 27 and 28, 2014 in the metro area and August 11th is the deadline for room reservations. Jaschke also reviewed the materials in the Board member folder and provided updates on: flood response, Farm Bill programs, and drainage.

Drainage Work Group – Tom Loveall and Al Kean reported that the committee met on June 12, 2014; discussion included the LCCMR Project: Conservation-Based Approach for Assessing Public Drainage Benefits; Outcomes of 2014 Legislative Bills involving drainage; upcoming events involving drainage topics; and DWG prioritized discussion topics. The next meeting of the Drainage Work Group is scheduled for July 31, 2014. Discussion followed.

Dispute Resolution Committee – Travis Germundson reported that there are 13 pending appeals and only one new appeal since the last board meeting.

Grants Program & Policy Committee – Steve Sunderland reported that the Grants Program and Policy Committee has a number of recommendations on the agenda later today.

RIM Reserve & Soil Conservation Committee – Gene Tiedemann reported that the RIM Reserve and Soil Conservation Committee has a recommendation on the agenda later today.

Water Management & Strategic Planning Committee – Jack Ditmore reported that the Water Management and Strategic Planning Committee has a recommendation on the agenda later today.

Wetlands & Drainage Committee – Gerald Van Amburg reported that the Wetlands and Drainage Committee has not met. Jaschke mentioned that a policy development message would be forth coming inviting stakeholders to participate.

COMMITTEE RECOMMENDATIONS

RIM Reserve Management & Soil Conservation Committee

1. **Tri-T Farms, Inc. – RIM Easement Alteration** – The RIM Reserve Management & Soil Conservation Committee met on June 12 to review the amendment of RIM easement 14-04-07-01, in Clay County. The alteration has been requested by the landowner of Tri-T Farms, Inc. Bill Penning and Tim Fredbo reported the details of the particular easement. The RIM Reserve Management & Soil Conservation Committee recommends approval of the amendment. There was some discussion regarding CRP contracts and what can be done to remind contract holders that they are still under contract. Moved by Gene Tiedemann, seconded by Kathryn Kelly, to approve the RIM Reserve Management Planning Committee recommendation of the RIM easement alteration. *Motion passed on a voice vote.*

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14-30

Northern Region Committee

1. **Aitkin County Water Management Plan Extension** – Aitkin County submitted a resolution requesting a two year extension of their County water plan on June 10, 2014. The Aitkin County Local Water Management Plan would expire on August 27, 2014. The Northern Region Committee met on June 11, 2014, and recommends approval of the Aitkin County extension request. Brian Napstad provided some background information. Moved by Tom Landwehr, seconded by Tom Schulz, to approve the recommendation of the Northern Region Committee to approve the extension with the vice chair authorized to sign the order. *Motion passed on a voice vote.*

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14-31

2. **Bois de Sioux Watershed District Plan Amendment** – The Amendment to the Bois de Sioux Watershed District's Overall Plan (Plan) is intended to clarify the rational, basis and means to achieve the retention goals of the District via impoundments. The Amendment summarizes the District's statutory authority, and planning work performed on a sub watershed basis. Along with the District's property acquisition philosophy, common funding sources, establishment procedure, and means to maintain projects of the District. The Amendment will be inserted in PART V PROJECTS on page 99 of the Plan as C. LAND ACQUISITION; D. PROJECT FUNDING; E. PROCEDURE FOR ESTABLISHING PROJECTS; and F. FUNDING PROJECT MAINTENANCE. Moved by Gerald Van Amburg, seconded by Sandy Hooker to approve the Northern Region Committee's recommendation of the plan amendment per the attached draft Order. *Motion passed on a voice vote.*

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14-32

3. **Sauk River Watershed District Ten Year Plan Revision** – On May 7, 2014, the Brainerd office received the 10 year plan revision for the Sauk River Watershed District. Regional and State office staff review the plan for content and statutory requirements and found the plan to be ready for review by the Northern Region Committee. The Sauk River Watershed District staff presented their 10 year plan revision before the Northern Region Committee on June 11th. The 10 year plan revision focuses on four primary areas including monitoring, education and outreach, programs and projects, and regulation. In addition, the plan divides

the watershed district into ten management units with the appropriate mechanisms to establish water management districts within each unit to raise additional revenue for enhancing water quality. The plan also includes report cards for each management unit, which will allow the watershed to target best management practices and annually evaluate progress. The Northern Region Committee reviewed the Department of Natural Resources comments, the record from the public hearing, and staff recommendations. Upon consideration of all the information presented, the Committee moved a unanimous recommendation for approval of the ten year plan revision for the Sauk River Watershed District. Moved by Gene Tiedemann, seconded by Rob Sip to approve the Northern Region Committee recommendation of the plan revision per the attached draft Order. *Motion passed on a voice vote.*

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14-33

Southern Region Committee

1. Area II Minnesota River Basins Projects Inc. Biennial Work Plan and Grant – BWSR oversees the administrative funding related to the efforts of the Area II Minnesota River Basins Project Inc. (Area II). The 2013 Minnesota Legislature appropriated administrative funding for Area II Minnesota River Basins Project Inc., resulting in a fiscal year 2015 grant of \$120,000. The overall budget objectives are included in the plan. Staff recommends approval of this plan update and execution of the administrative grant agreement for FY 2015. The Board's Southern Region Committee met on May 28, 2014 to review the Area II Work Plan and recommends approval of the plan and execution of the FY 2015 grant. Moved by Steve Sunderland, seconded by Tom Loveall, to approve the Southern Water Planning Committee recommendation of the Area II Minnesota River Basins Projects Inc. Biennial Work Plan and Grant. *Motion passed on a voice vote.*

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14-34

2. Buffalo Creek Watershed District (BCWD) Watershed Management Plan - BCWD was established by BWSR Board Order on January 30, 1969. Minnesota Statutes 103D.401 states that a board of watershed district managers must adopt a plan for any or all reasons for which the district may be established. The BCWD has completed the planning process for its proposed ten-year plan: 2014 - 2024. The BCWD distributed its draft Watershed Management Plan as required for final review and comment. Comments received were considered by the BCWD, the plan was revised as needed, and submitted to BWSR for approval. BWSR provided proper Notice of Filing for the plan. This notice provided an invitation to submit written comments or a written request for a hearing if opposed to the plan. Written comments were received by BWSR and a public hearing was scheduled in anticipation of requests for a hearing.

On March 12, 2014, the Southern Region Committee (Committee) held a public hearing and received comments in opposition to the inclusion of BCWD's policy of a 3/8 inch drainage coefficient in the Plan from Renville County and several watershed residents. At their meeting on March 12, 2014, the Committee tabled action to allow additional comments and revisions to the Plan. A plan revision was drafted to include flexibility to the 3/8 inch drainage coefficient policy and to include additional information on priority subwatersheds and projects. The Committee met again on May 28, 2014. Based on the public hearing record, the Plan meeting the requirements of 103D.405, and BWSR staff recommendation to approve the Plan, the Committee voted to recommend approval of the revised Buffalo Creek Watershed District Watershed Management Plan to the full Board. Discussion followed. Moved by Steve Sunderland, seconded by Sandy Hooker, to approve the Southern Region Committee recommendation of the Buffalo Creek Watershed District

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14-35

(BCWD) Watershed Management Plan. Kathryn Kelly abstained from voting. *Motion passed on a voice vote.*

- 3. Watonwan County Local Water Management Plan Amendment** - By Board Order, the Board of Water and Soil Resources (Board) approved the Watonwan County 2008 - 2018 Local Water Management Plan (Plan) on December 17, 2008. This Plan contains an implementation section with goals, objectives and actions to address the county's priority concerns. The Board Order required Watonwan County to update the Plan's implementation section by December 31, 2013. Watonwan County followed the amendment process guidelines established by the Board and submitted their 2014 - 2018 Local Water Management Plan Amendment on April 21, 2014. The Board's Southern Region Committee (Committee) met on May 28, 2014 to review the Watonwan County Plan Amendment. The Committee recommends approval of the Watonwan County 2014 - 2018 Local Water Management Plan Amendment. Moved by Steve Sunderland, seconded by Sandy Hooker, to approve the Southern Region Committee recommendation of Watonwan County Local Water Management Plan Amendment. *Motion passed on a voice vote.*

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14-36

Grants Program & Policy Committee

- 1. FY2015 Farm Bill Assistance Grant Awards** – The Farm Bill Assistance Program provides funds to SWCDs to hire staff to accelerate implementation of the Farm Bill as well as other state and federal conservation projects that involve grasslands and wetlands. The FY15 Farm Bill Assistance Program is expected to be funded from several revenue sources, chief among them, the Legislative-Citizens Commission on Minnesota Resources. The Board is being requested to authorize these grants in order to minimize the delay in getting funds to SWCDs following the enactment of a biennial budget. The Grants Program and Policy Committee met on June 12, 2014 to review documents associated with this resolution and recommends Board approval. Moved by Faye Sleeper, seconded by Jill Crafton, to approve the Grants Program & Policy Committee recommendation of the 2015 Farm Bill Assistance Grant allocations. *Motion passed on a voice vote.*

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14-37

- 2. Proposed FY2015 SWCD Programs and Operations Grant Allocations** - The Grants Program & Policy Committee is forwarding their FY2015 allocation recommendations for the Conservation Delivery, Easement Delivery, Non Point Engineering Assistance, and Cost Share Grant Programs. Moved by Sandy Hooker, seconded by Tom Schulz, to approve the Grants Program & Policy Committee recommendation of the proposed FY2015 SWCD Programs and Operations Grant Allocations. *Motion passed on a voice vote.*

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14-38

- 3. Proposed FY2015 Natural Resources Block Grant Allocations** – The Natural Resources Block Grant (NRBG) provides assistance to local governments to implement state natural resource programs. These programs are: Comprehensive Local Water Management, the Wetland Conservation Act, the DNR Shoreland Management, the MPCA County Feedlot, and the MPCA Subsurface Sewage Treatment Systems. The Grants Program & Policy Committee recommends Board approval of the Proposed FY 2015 Natural Resources Block Grant allocations. Moved by Steve Sunderland, seconded by Jack Ditmore, to approve the Grants Program & Policy Committee recommendation of the proposed FY2015 Natural Resources Block Grant Allocations. *Motion passed on a voice vote.*

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14-39

- 4. One Watershed, One Plan Pilot Selection** – Staff was authorized to finalize, distribute and promote a Request for Interest (RFI) for the One Watershed, One Plan Pilot Program at the

December 18, 2013 Board meeting. This nomination period closed on April 21st. Nominations received were reviewed by BWSR staff and the Interagency WRAPS Implementation Team in May and June. Staff ratings, WRAPS Team recommendations, and nomination scores were reviewed by the Senior Management Team (SMT) on May 12th and a recommendation with three options was forwarded to the BWSR Executive Team. The Executive Team considered these options in the development of the final recommendation to select 5 watershed areas for piloting One Watershed, One Plan, using existing appropriations and a funding shift from unspent FY14 CWF SEDLC and Community Partners programs. Requested funding shift is \$458,710.

The review process and recommendation were reviewed with the Water Management and Strategic Planning Committee on May 27th. The Committee was not asked for a recommendation but discussion and comments at the Committee meeting supported the recommendation. The process and recommendation were also reviewed with the Grants Program and Policy Committee on June 12th; and recommends the actions to the full Board.

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14-40

Moved by Sandy Hooker, seconded by Jack Ditmore, to approve the Grants Program and Policy Committee recommendation of the One Watershed, One Plan Pilot Selection; authorizing staff to complete work plans and enter into grant agreements with 5 pilot watersheds; approve the allocation of up to \$1,758,710 FY14 Clean Water Funds; and authorizing staff to enter into agreements and/or contracts with the University of Minnesota Extension and the Red River Watershed management Board for the purposes of partner readiness surveys and completion of the Water Quality Decision Support Application. Gene Tiedemann abstained from voting. *Motion passed on a voice vote.*

5. **FY2015 Targeted Watershed Demonstration Program Authorization** - The Targeted Watershed Demonstration Program is proposed to have a solicitation period from July 14 through August 29, 2014. The scoring process will be conducted by staff from the DNR, MDA, MDH, PCA, and BWSR and will operate under the FY2015 Clean Water Fund Policy. The Grants Program and Policy Committee met on June 12, 2014 and reviewed the draft Request for Interest and recommends Board approval. Moved by Gerald Van Amburg, seconded by Jill Crafton, to approve the Grants Program and Policy Committee recommendation of the FY2015 Targeted Watershed Demonstration Program Authorization. *Motion passed on a voice vote.*

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14-41

6. **FY2015 Clean Water Fund Competitive Grants Policy and Authorization** - The FY2015 Clean Water Fund Competitive Grants Program includes four BWSR grant programs and Minnesota Department of Agricultural AgBMP loans and is proposed to have an application period from August 18 to September 26. The application scoring process will be conducted by staff from DNR, MDA, MDH, PCA and BWSR as has been the case in previous years. The FY2014 Policy has been amended to ensure it is consistent with the proposed FY2015 appropriations. The Grants Program and Policy Committee met on June 12, 2014 and reviewed the draft Policy and Request for Proposals and recommends Board approval. Moved by Tom Schulz, seconded by Jill Crafton, to approve the Grants Program and Policy Committee recommendation of the FY2015 Clean Water Fund Competitive Grants Policy and Authorization. *Motion passed on a voice vote.*

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14-42

7. **Supplemental FY2014 Clean Water Fund Grant Awards** - Additional Clean Water Fund dollars were appropriated to the BWSR Clean Water Fund Projects and Practices competitive grant category under the Laws of Minnesota, Chapter 312, Article 14, Section 4.

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14-43 The Grants Program and Policy Committee met on June 12, 2014 and reviewed staff recommendations for allocating these supplemental funds and is recommending Board approval. Moved by Steve Sunderland, seconded by Kathryn Kelly, to approve the Grants Program and Policy Committee recommendation of the Supplemental FY2014 Clean Water Fund Grant Awards. *Motion passed on a voice vote.*

Grants Program & Policy Committee and RIM Reserve & Soil Conservation Committee

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14-44 1. **Nonpoint Priority Funding Plan (NPFP)** – Tim Koehler discussed the plan as presented and walked the Board through some highlights. The Board is requested to approve the recommendation of the Grants Program & Policy and RIM Reserve & Soil Conservation Committees to accept the Nonpoint Priority Funding Plan for Clean Water Implementation Funding (NPFP) and to direct staff to post it on BWSR's website by July 1, 2014. Moved by Jill Crafton, seconded by Faye Sleeper, to approve the Grants Program and Policy Committee and RIM Reserve and Soil Conservation Committee recommendation to approve Nonpoint Priority Funding Plan. *Motion passed on a voice vote.*

Water Planning & Strategic Management Committee

1. **One Watershed, One Plan Implementation** – The Board's Water Management & Strategic Planning Committee (WMSP) is charged with assisting in the development of operating procedures and policies that will guide program development and implementation. Over the course of 6 meetings starting in 2013, the Committee has worked on a number of procedures and policies to support the development and implementation of One Watershed, One Plan including the pilot phase. At this time the Committee is advancing two work products for consideration by the Board.

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14-45 The first item is a policy for managing local water plan extensions in light of the current WRAPS development process and the One Watershed, One Plan Program. Moved by Jack Ditmore, seconded by Tom Schulz, to approve the Water Planning and Strategic Management Committee recommendation to approve the One Watershed One Plan Local Water Plan Extensions. *Motion passed on a voice vote.*

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14-46 The second item is an operating procedures document which provides both policy and guidance for plan development during the pilot phase of the program for: 1) boundary framework; 2) plan types; 3) participation requirements; 4) formal agreement; and 5) plan development procedures. Moved by Jack Ditmore, seconded by Faye Sleeper, to approve the Water Planning and Strategic Management Committee recommendation to approve the One Watershed, One Plan Operating Procedures for Pilot Watersheds. *Motion passed on a voice vote.*

AGENCY REPORTS

Minnesota Department of Agriculture (MDA) Rob Sip handed out the Minnesota Agriculture Water Quality Certification Program Update and information on Clean Water Research.

UPCOMING MEETINGS

- BWSR Board Tour – August 27, 2014 in the Twin Cities metro area.
- Next BWSR Board Meeting - August 28, 2014.

** Moved by Doug Erickson, seconded by Jack Ditmore, to adjourn the meeting at 1:11 pm.
14-47 *Motion passed on a voice vote.*

Respectfully submitted,



Brian Napstad
Chair